

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF
THE MIAMI BEACH EMPLOYEES' RETIREMENT PLAN
OF THE CITY OF MIAMI BEACH
August 9, 2011

Vice Chairman Gomez called the meeting to order at 10:15 a.m.

Board Members present were as follows:

James Boyd		Hilda Fernandez
Jorge Gomez	Warren Green	Reinaldo Horday
	Jonathan Sinkes	Patricia Walker

Members absent -	Richard McKinnon	Jose Cruz
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Also present were:

Steve Cypen	Legal Counsel
Rick Rivera	Pension Administrator
Robert Martinez	Assistant Pension Administrator
Rafael Granado	Asst. Human Resources Director
Claude Joseph	Disability applicant
Silcelesa Bleces	informal interpreter for Mr. Joseph

A motion was made by Mr. Gomez duly seconded by Mr. Green, and with all in favor it was unanimously

RESOLVED That the Consent Agenda be approved as presented less Item C-13, request for payment (conferences).

A motion was made by Mr. Green duly seconded by Mr. Horday, and with all in favor except Mr. Sinkes who abstained, it was

RESOLVED That Item C-13, Requests for Payment (Conferences) be approved as presented.

CONSENT AGENDA

C-1 The Minutes of the July 12, 2011 board meeting were approved as amended.

C-2 New Members were approved as follows -

<u>NAME</u>	<u>ID #</u>	<u>CLASSIFICATION</u>	<u>Union</u>	<u>HIRE</u>
Vashanna McInstosh-Moorer	16907	Financial Analyst	UNCL	7/5/2011
Maria Palacios	19844	Public Info Specialist	UNCL	7/11/2011
Darlene Perez	19850	Financial Analyst Finance	UNCL	7/25/2011
Alicia Andino	19858	Office Assoc. IV	UNCL	8/1/2011
Jason Stewart	19848	Senior GIS Analyst	UNCL	7/18/2011

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C-3 New Retiree Allowances were approved as follows - (None)

<u>Name</u>	<u>Date</u>	<u>Retirement Type</u>	<u>Monthly Amount</u>
Alton Jarrett	8/01/2011	Ordinary Retirement (50%)	\$815.79
Richard Moore	9/01/2011	Vested Retirement (LA)	\$5,240.67

C-4 New Pensioner Allowances were approved as follows - (None)

C-5 Requests for Lump Sum Refunds were approved as follows -

<u>Name</u>	<u>Separation Date</u>	<u>Amount</u>	<u>Reason</u>
Dionne Williams	08/05/2011	\$59,558.50	Resignation
Hector Castro	08/03/2011	\$ 6,478.23	Resignation
Monica Diaz	07/27/2011	\$6,660.18	Resignation
Yanette Bravo	04/15/2011	\$3,266.51	Resignation
Michael Rigual	07/19/2011	\$11,321.75	Resignation
William Green	08/14/2011	\$3,415.16	Resignation

C-6 Request for Accumulated Contribution Refund for a Named Beneficiary was approved as follows - (None)

C-7 Purchases of Creditable Service Time were approved as follows-

<u>NAME</u>	<u>DATE</u>	<u>YEAR PURCHASED</u>	<u>HOURS USED</u>	<u>CASH USED</u>	<u>LEAVE AMOUNT</u>
Denise Brown	7/19/2011	0.50	120.88	\$ -	\$ 3,513.97
Harry Rush	7/18/2011	0.50	117.70	\$ -	\$ 2,544.56
Jorge Winter	8/4/2011	0.38	80.21	\$ -	\$ 1,693.10

C-8 Request for up to Two (2) years of additional creditable service were approved as follows -

<u>Employee Name</u>	<u>Sworn Statement</u>	<u>EMPLOYER QUESTIONNAIRE FORM</u>	<u>Application Resume or Add'nl back-up</u>	<u>Creditable Service Applying for</u>
SANDRA MEYER	x	x	x	2.0
MARIA SAAVEDRA	x	x	x	2.0
ORLANDO DEL SOL	x	x	x	2.0
HARRY RUSH	x	x	x	2.0
CRISTINA FERNANDEZ	x	x	x	2.0
LEONARDO FRANCIS	x	x	x	2.0
ECHO C. HERMAN	x	x	x	2.0
CHRISTOPHER HIPSKIND	x	x	x	2.0
ELIZABETH POSADA	x	x	x	2.0
DANIEL PIÑOL	x	x	x	2.0
JUDY HOANSHELT	x	x	x	2.0

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C-9 DROP applicants were approved as follows -

<u>Name</u>	<u>Effective</u>	<u>Estimated Monthly Benefit</u>	<u>Maximum Last DROP Date</u>
Robert Blackshear	9/1/2011	\$ 4,809.00	8/1/2014
Harry Rush	9/1/2011	\$ 1,950.00	8/1/2014

**C-10 Lump Sum Refunds Paid since the last meeting
were approved as follows -**

<u>Name</u>	<u>Date of Check</u>	<u>Voucher</u>	<u>Check Amount</u>	<u>IRS Tax Payment</u>	<u>Tax Payment Date</u>
FBO Steven Hermina	7/15/2011	112740	\$ 13,029.93	IRA-Rollover	NA
Diana Candela	7/15/2011	112739	\$ 23,455.82	\$ 5,863.96	7/18/2011

C-11 The Financial Reports were approved as presented.

C-12 Requests for Payment

ADMINISTRATIVE EXPENSES

Legal

Steve Cypen- Legal Services

Legal services rendered for the month of August \$ 5,000.00

Bookkeeping

Joan Wall- Bookkeeping

services rendered for the month of August 2011 \$ 350.00

Office, etc.

Copier - Sharp Lease

Monthly copier fees per inv.# 182414979 \$ 228.56

Storage - IDD - monthly

Monthly storage fees per invoice # 0061636 \$ 67.94

Office Maintenance - Property Management Fees, CMB

For the month of June \$ 1,347.03

Investment Fees

Rhumblin- Investment Management Fees

2nd Qtr. Per Inv.# mbgadr2011Q2, gmbeach2011Q2 \$ 20,606.00

ICC Capital Management- Investment Management Fees

3rd Qtr. Per inv.# 57531385 \$ 45,149.23

Wentworth, Hauser, Violich - Investment Management Fees

3rd Qtr. Per Inv. Dated 8/2/11 \$ 94,425.00

Custody Fees

Fiduciary Trust- Custodian

Per inv.# S148000121462, S14800121455, S1800121454 \$ 8,108.71

Conv/Seminars/Dues/Etc

Jonathan Sinkes - Conference expense reimbursement

FPPTA Annual Conf. - Orlando, FL \$ 432.39

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Milliman, USA - Conference & Education

Conference Registration for Warren Green Monterey, CA

\$ 1,031.13

REGULAR AGENDA

R-1 Deferred Items -

- A. Informal Disability Hearing for Claude Joseph - Mr. Cypen reviewed the procedures of an informal disability hearing. Mr. Granado, Assistant Human Resources Director, advised the Board that Mr. Joseph had been terminated on February 17, 2011 because he did not meet the physical requirements of his position. He stated that there had been no accommodation available for Mr. Joseph.

The Board reviewed Mr. Joseph's disability package. Mr. Cypen reminded Ms. Bleces, Claude Joseph's interpreter, that she and Mr. Joseph were free to communicate to each other but that Mr. Joseph had to be the person to testify. Mr. Joseph testified that he could no longer perform the physical duties of his previous job with the City.

Mr. Cypen asked Mr. Joseph if he had ever torn his anterior cruciate ligament. Mr. Joseph said that he had not. Mr. Cypen swore in Mr. Joseph. Mr. Cypen asked Mr. Joseph again if he had ever previously sustained an injury to the knee in question prior to the injury reported on duty. Mr. Joseph said no.

A discussion ensued. Ms. Fernandez asked the Administrator if Mr. Joseph was vested. The Administrator said that Mr. Joseph was not vested. Mr. Gomez stated that the Board's medical panel had concluded that Mr. Joseph's incapacity was not likely to be permanent and was not the result of an accident occurring at work. Mr. Cypen said that if Mr. Joseph's informal disability hearing was denied and the decision stands up, then Mr. Joseph would be entitled to a return of his accumulated pension contributions. A discussion ensued.

A motion was made by Ms. Walker duly seconded by Ms. Fernandez, and unanimously

RESOLVED

That Mr. Claude Joseph's informal disability application be denied based on the fact that it is not permanent, not total and not service connected.

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R-2 New Items -

- A. Goldstein Schechter Koch (GSK) Engagement Letter - The Board reviewed the engagement letter from Goldstein Schechter Koch (GSK). The Administrator said that the fees and out-of-pocket direct costs had been capped at \$26,000. The Administrator said that this was a proposed fee increase of \$1000 from the previous year. A discussion ensued regarding the capped fees. The Administrator was asked whether in previous years total fees had been less than the maximum cap amount. The Administrator said no. The Board approved the Engagement letter for the external audit FYE 09/30/2011 including fees capped at \$26,000 with the stipulation that GSK provide detailed billing information with their invoices.

A motion was made by Mr. Gomez duly seconded by Mr. Sinkes, and unanimously

RESOLVED

That the GSK Engagement Letter dated June 27, 2011 be approved as presented with instructions to GSK to provide detailed billing information with work-in-progress invoices.

- B. Review of Vendors - This item was deferred until the next pension board meeting.

R-3 Other Business

- A. Administrator's Report - The Administrator gave a status report on the implementation of the elimination of direct deposit advices. He said that approximately 30 retirees were still receiving direct deposit advices because the retirees did not own and/or did not have knowledge of how to use a personal computer.

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R-4 Quarterly Investment Reports

- A. Bill Cottle, Milliman Inc. - Mr. Cottle went over his quarterly report for the quarter ending June 30, 2011. He said that the Fund had earned 23.6% for the year ended June 30, 2011. He said that the Plan had net contributions of \$(6.77) Million and a net investment gain of approximately \$32,000 for the quarter. Mr. Cottle said that the Fund's ending market value at 06/30/2011 was approximately \$421.5 MM. Mr. Cottle went over the remainder of his report.

Mr. Cottle said that his firm will be changing the quarterly report format and contracting with Investor Force, Milliman's new evaluation software provider. In this regard Mr. Cottle requested the release of the Fund's custodial information to Investor Force. A discussion ensued.

A motion was made by Mr. Gomez duly seconded by Ms. Walker, and unanimously

Resolved That Milliman's software evaluation provider Investor force be authorized to receive the Fund's custodial information.

- B. Equity manager presentations - Bart McMurphy of I.C.C and Jeff Romrell of Wentworth Hauser & Violich went over their quarterly reports dated June 30, 2011.

R-5 For Your Information

Chairman Boyd and Mr. Cypen reviewed For Your Information.

There being no further business to discuss, a motion was made by Ms. Walker duly seconded by Mr. Horday and unanimously

RESOLVED That the meeting be adjourned. The meeting was adjourned at 11:58 a.m.

James Boyd, Chairman

Hilda Fernandez, Secretary